THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) RBI's instructions for installation of UV lamps in banks are for detection of counterfeit notes in the banking system and cannot be directly linked to the circulation of fake currency in the country. The fake currency notes detected by RBI offices and bank branches during the years 2003-2004 is lower than 2002-03.

(b) No, Sir.

(c) Does not arise.

Foreign Exchange Reserves

464. SHRI MANOJ BHATTACHARYA: Will the Minister of FINANCE be pleased to state:

(a) the amount of India's total foreign exchange reserves as on 1st April 2004;

(b) whether there has been a steady increase in the inflow of foreign exchange remittances during the last three years and if so, the details thereof;

(c) whether it is proposed to deploy the huge forex reserves to the development of infrastructure like ports, roads, telecommunications, railways etc.; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) India's total foreign exchange reserves stood at US$ 113.0 billion as on March 31,2004.

(b) Private transfer receipts, predominantly comprising inward remittances from Indians working abroad, have increased from US$15.4 billion in 2001-02 to US$22.8 billion in 2003-04. Private transfer receipts have shown annual growth rates of 19.8 per cent, 6.4 per cent, and 39.3 percent, respectively, during 2001-02,2002-03 and 2003-04.

(c) and (d) India's total foreign exchange reserves are now more than US$125 billion. Any decision to utilize a part of foreign exchange reserves for funding domestic projects requires careful assessment *inter alia,* of the impact of such a measures on the fiscal situation, money supply, exchange rate, domestic interest rates and inflation.